

Wickliffe City School District – May 5 Levy FAQ



What is an “Earned Income Tax” levy?

An earned income tax levy is a form of local tax levied on the wages and salaries of residents within the school district. Fundamentally, this levy is based on the annual household earnings of our residents, **NOT the value of your home or property**. The funds from this levy are legally required go directly to day-to-day operations of the Wickliffe Schools.

How is an Earned Income Tax levy different than a traditional Property Tax levy?

A traditional property tax is calculated based on your home’s assessed value and is paid by property owners and collected by the county. However, an Earned Income Tax levy is based on what our city residents **earn** from their work – be that through salary, hourly wages, private employment, etc. This means that homeowners, renters, and all working residents contribute. Residents who own property but live on **“fixed incomes” such as retirees, those on disability, people collecting their pensions, etc. are NOT subject to this tax levy.**

What are the levy funds allowed to be used for?

ALL funds collected by this levy would be used for **CURRENT OPERATING EXPENSES**. These are the essential, day-to-day costs of running the district and educating our kids. This includes things like instructional materials, technology, transportation and student support services, extracurricular activities, and the cost of staffing like teachers and aides.

Who is actually subject to this tax? Who would be paying if the issue passes?

Simply put, this tax applies to all individuals who earn income and reside within the boundaries of the Wickliffe City School District, regardless of where they work. If you live in the district and earn an hourly wage, a yearly salary, or generate your income from self-employment, you would be subject to this tax.

What counts as “Earned Income” ?

Earned income includes **wages, salaries, tips, commissions, and net earnings from self-employment**. Putting it another way... it’s any income you receive in exchange for work, or a ‘paycheck’.

What types of income are NOT subject to this levy?

Please read these carefully, as many of our residents rely on income that is NOT subject to the levy. The following things are fully **EXCLUDED: Social Security Benefits, Pensions & Retirement incomes, Investment Income (including interest, dividends, and capital gains), Rental Income, Worker’s Compensation, Unemployment Benefits, Child Support, Inheritances, and Disability & Survivor benefits**. Any income you generate from any of these types of sources is NOT subject to the levy.

How much would the levy cost my family, personally?

That will depend on your annual household income, but the cost is straightforward to calculate. According to the US Census Bureau, the median household in Wickliffe earns about ~\$79,000 annually, so about \$790/per year, or about \$66/month.

Wickliffe City School District – May 5 Levy FAQ



Why now? Why has the district been on the ballot so frequently?

At the most basic level, the math here is relatively simple:

Rising Costs + Flat Funding = A Financial Gap

The Wickliffe City Schools have not passed new general fund revenue in over a decade, with our **last successful funding issue passed in 2015**. Much like our residents and families, our district also faced the pain of inflation, the rising costs of goods and services, and big reductions in our state funding. As your home values (*and property taxes*) have risen, we are legally prevented from seeing a corresponding uptick in funding due to state law (HB 920) that legally prevents our slice from rising with your valuations. We've worked *intensely* to manage our costs, but there is a practical limit to how long any organization can absorb the changes currently taking place without new financial resources.

But we just passed funding in 2019 to build the new campus, right?

True... however, school buildings are paid for by bond issues. The key difference is that **we cannot use any funds from the bond issue for our day-to-day operational expenses**. The 2019 bond issue allowed us to replace buildings that would now be over 100 years old, which were very expensive to maintain, and it built in a funding source for ongoing maintenance to protect our investment. Ultimately, these are separate avenues of funding, and we *cannot* use our bond funds for our day-to-day needs.

What cuts has the district made in response to this financial picture?

The State has approved our budget reduction plan, which kicks in for the 2026-27 school year. We have reduced our staff by 32 positions – including 3 administrator positions. We've already implemented a **full-cost, pay-to-participate** model for extracurriculars & athletics, with some sports costing \$1,200 to \$2,000 per family (*based on participant count and the specific sport*). We're also eliminating many K-6 electives, reducing bussing routes, transitioning to a half-day Kindergarten program, streamlining course offerings, and restructuring our band program. This plan **saves us approximately \$2.3 million annually**.

If the levy is passed, are you going to reverse the planned cuts?

Generally speaking, No. The changes to the district and the cuts we've made will remain at minimum through the 2026-27 school year. If the community chooses to support the May 2026 levy, we will take another careful look at every plank in the reduction plan, and explore what we may be able to restore. This could include certain aspects regarding electives, extracurriculars and transportation options, but we will not undo the difficult and challenging work in realizing these savings in the first place.

What happens financially if the levy does not pass?

Without new revenue, the district is projected to enter deficit spending by 2028. Ohio law clearly prohibits school districts from operating in deficit spending – meaning that without new funds, we will be forced to make additional cuts (***beyond the already significant cuts included in the Reduction Plan***).

When do we vote?

Early voting and absentee/vote-by-mail are both **underway as of April 7th**. Vote by mail ballots must be returned by **Election Day**, which is **Tuesday, May 5th** and polls will be open from 6:30am to 7:30pm.